

EDITORIAL

Future proofing the South African actuarial profession

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The world is changing fast. Yesterday's skill set is not necessarily helpful tomorrow. New players, new ways of thinking and new customer behaviour, not to mention falling national borders, can quickly render today's hero or miracle product obsolete. Actuaries, we offer professional skill, technical aptitude, a unique way of thinking and an integrity of approach that our clients find valuable. For now. Are we adapting to the challenges not just of tomorrow, but of the here and now?

Yes, you may say. AI is becoming part of the standard tool set. Data are being effectively deployed. Public interest is an integral part of the mandate of the Actuarial Society and so is research. Standards are high. Students are encouraged to think more openly. Actuaries are in high demand by employers of many types and are finding interest in new areas. The standards of education at our universities and in our professional exams are high.

No, some may counter. Business models have not adapted. The education system is moving too slowly. Generations of new models and techniques are coming faster than we can train our students in them. Our data management, pricing and valuation methods are not keeping up with the times. We waste expensive time undertaking repeat calculations on broken models with poor inputs. Locally and internationally, in the insurance space we've ceded decision-making power to accountants and we act on their bidding. In pensions, we have walked ourselves to the brink of irrelevance by handing the risk to members and leaving them to it. Clinging to the right to self-determination in health care financing, we have not been effective in the policy space. Guilty of arcane and defensive thinking, we risk being out-modelled by statisticians, data scientists and machine learning engineers, out-thought by economists and out-manoeuvred by physicists and mathematicians.

The truth lies somewhere in between, argues the diplomat or pragmatist. We have skills and we have something to offer. That's a risky position to hold when new offerings are

emerging at pace. Many have faded into obscurity holding to similar rocks in rising floods. Perhaps the problem indeed lies with the profession and its way of thinking. If that is the case, we cannot leave it to those that we have elected to lead us.

You, actuary, you, associate and you, student, are responsible for your own fate. Blow away the cobwebs of pre-supposition. Think more clearly. Read more widely but pursue originality. Dedicate yourself to open-minded enquiry and diligent research, contributing to a better environment and to better solutions to difficult problems.